

April 3, 2008

Testimony of Douglas E. Peters before the Transportation and Infrastructure Committee:

Good morning Mr. Chairman and Members of the Committee:

My name is Douglas E. Peters; I am an Aviation Safety Inspector employed by the FAA and am currently assigned to the American Airlines Certificate Management Office (AMR CMO) as the “Acting” Boeing 757 Partial Program Manager. I have been employed by the FAA for a total of 7 years, all of which have been in the Flight Standards Service. Prior to my assignment to the AMR CMO, I was assigned to the Southwest Airlines CMO (SWA CMO) from April 2001 through October 2007, holding the positions of Inspector, Assistant Principal Maintenance Inspector and Data Evaluation Program Manager. I have had an untarnished career at the FAA and in February of 2004 was selected the SWA CMO “Maintenance Inspector of the Year.”

Prior to my employment with the FAA, I worked for two major U.S. Air Carriers and I am a veteran of the United States Air Force. I have 27 years of experience in aircraft maintenance.

I have provided detailed records to the Office of Inspector General, the Office of Special Counsel, and FAA Security regarding FAA employees of the SWA CMO’s participation and involvement in violation of FAA regulations, abuse of authority, and substantial and specific danger to public safety. I am not a disgruntled employee nor do I wish to embarrass the FAA or ruin its reputation, I merely wish to truthfully describe the events that brought me here today.

At this time, I would like to take this opportunity and try to explain the events surrounding the Southwest Airlines AD over-flight issue and explain how that event became the catalyst that brought us before the committee. In April 2007, the SWA CMO conducted an internal investigation of a SD that was submitted by Southwest Airlines to the FAA regarding an AD over-flight and was accepted by PMI Douglas Gawadzinski. I was the lead inspector on that investigation. During that investigation, the Division Management Team instructed Office Manager Mike Mills to hand over the preliminary results of the investigation to an audit team that was on-sight in our office. At that time, my investigation was ongoing and incomplete however, I had discovered that several aircraft had been operated in an unsafe condition beyond the date of March 15, 2007, three of which had

cracks in the area of inspection required by the AD. A fourth aircraft was found to have cracks in a location outside of the inspection area called out in the AD.

The audit team was constructed of management personnel from other offices within the SW Region. Following the audit team's conclusion of the AD over-flight investigation a memo from FAA Managers Teppen and Whitrock dated April 18th was given to Manager Mills stating that Southwest Airlines had indeed operated 47 aircraft in an unairworthy condition and that the PMI condoned such operation. Additionally, the memo stated "SWA CMO has a relaxed culture in maintaining substantiating data as well as any documents that would support any decisions made by the airworthiness unit." PMI Gawadzinski was the supervisor for that unit.

Following that memo by FAA Managers Teppen and Whitrock, on May 8, 2007 Mike Mills called the entire office to an all hands meeting where the Assistant Division Manager for Flight Standards, Ron McGarry, temporarily removed both the Manager and the PMI pending an investigation and announced Bobby Hedlund as the "Acting" manager of the CMO. Neither Manager Mills nor PMI Gawadzinski attended that meeting.

On June 11, 2007 at approximately 1:00 PM Acting Manager Bobby Hedlund stopped by my office during the timeframe of the FAA's initial internal investigation of the AD overflight. I was typing my requested written statement to Agent LaFlair. I informed Hedlund that I would be sending him a memo regarding unethical actions taking place by inspectors in the SWA CMO. He agreed to look into the matter once he received the memo. Before Hedlund left my office, I told him that I thought writing my concerns about the unethical actions was the "right thing to do." He stated that he agreed we should always do the "right thing" and that's what his father had always told him to do. He got out of the chair and walked over to my bookcase where I keep family pictures in frames. He picked up a picture of my son and I that was taken next to an aircraft and said, "This is what's important, family and flying." He then pointed to a family picture of our entire family and said again "this is what is important." On his way out the door he made the following statement, "you have a good job here and your wife has a good job over at the Dallas FSDO, I'd hate to see you jeopardize yours and her careers trying to take down a couple of losers."

On June 14, 2007 I sent the memo previously described to "Acting" Manager Bobby Hedlund.

As of today, I have never received a formal response to that memo.

On June 13, 2007 I submitted a 15 page written statement following a two day interview where I was interviewed by FAA Security. Special Agent Jay LaFlair and Flight Standards Manager Terry Lambert conducted the interview. During my sworn statement, I described over two and a half years of PMI Gawadzinski's impropriety, unethical actions, abuse of authority, and misuse of government resources along with relaxed oversight of Southwest Airlines. I also included in my statement several instances where his subordinates were engaged in unethical actions as well.

In July 2007, I made my first contact with congressional staff personnel at the T & I committee. I informed them of situation in the office and that I believed that Southwest Airlines was at risk due to the lax oversight that they had been under and the absence of accountability actions with regard to FAA personnel. I also informed them that the conditions were basically the same following an FAA Security investigation that had taken place in June and that there was a serious divide within the Certificate Management Office. The divide consisted of those who followed national policy and those who were loyal to Gawadzinski. I provided a copy of the AD over-flight disclosure to substantiate my initial concern.

After waiting for nearly two months for corrective action to occur by either the Division Management Team or the Flight Standards Director, James Ballough for the improprieties identified by the FAA security investigation, it was evident that no action was being considered by FAA Senior management personnel leaving a strong underlying tone that the happenings at the SWA CMO were not only condoned, but possibly sanctioned.

In August 2007 after gathering additional facts and documentation following the FAA's security investigation that occurred in June, Inspector Boutris and I filed disclosures with the Office of Special Counsel. We supplied the OSC and the T & I detailed documentation which substantiated our safety concerns and supported our disclosures. The poor condition of the Southwest Airlines' regulatory maintenance oversight was a risk that neither Inspector Boutris nor I was willing to accept.

On August 28, 2007 during a telephone conversation with T & I congressional staff personnel, I was informed that a call had been placed to FAA HQ to the Director of Flight Standards, James Ballough. Director Ballough was not available to take the call however, a message was left regarding the events at Southwest Airlines and he was encouraged to return the call. During the next few weeks, several unsuccessful attempts and messages were said to have been made by T & I personnel to contact the Director during the period of time between August 28th, and mid-September.

According to T & I staff personnel, the FAA initially refused to cooperate with requests for information regarding this matter. Only under threat of subpoena in an October 5, 2007 letter to “Acting” Administrator Sturgell from Chairman Oberstar and Chairman Costello was the documentation from the FAA internal investigation obtained

On September 9, 2007 “Acting” manager, Bobby Hedlund called the SWA CMO for an all-hands-meeting where Division Manager, Tom Stuckey and Assistant Division Manager, Ron McGarry were present. The meeting was called to announce that Bobby Hedlund was selected as the permanent Manager of the Certificate Management Office and that Mike Mills had accepted a position as Assistant Manager at the DFW FSDO. To my knowledge, this was the first visit by the Division Manager to address the Certificate Management Office in over two years. He spoke about change and made reference to “the train leaving the station” and that if anyone didn’t want to be on that train, he might be able to help in making arrangements for that person or persons to work in another location.

At the close of the meeting, I asked to speak with him. Mr. Stuckey and Assistant Division Manager Ron McGarry visited me in my office. I stated to the Division Manager that I did not want to be on that train and that I had put in a request for reassignment to the AMR Certificate Management Office. I also stated that he was about five months too late. I made reference to the divide in the office and how Gawadzinski’s previous subordinates along with one other inspector had engaged in unethical and inappropriate actions in May. I presented him a copy of the June 14th memo that I had given to then “Acting” Manager Hedlund. He briefly scanned over the memo and handed it to Ron McGarry. They both acknowledged my request for reassignment and stated that they would talk to the manager of the AMR Certificate Management Office but the final decision would be entirely up to him.

On October 14, 2007 I was reassigned, to the AMR CMO as the “Acting” Boeing 757 Partial Program Manager.

Only under the watchful eyes of the T & I Committee, the OIG, and the OSC did this gross misconduct by FAA management personnel at the SWA CMO, Regional, and HQ levels surrounding the activities at the SWA CMO, receive the close scrutiny that was warranted.

It didn't have to come to this; or maybe it did!?

As a follow-up to the FAA's Town Hall Meeting which was held on March 18, 2008, ironically one year following the AD over-flight Self-Disclosure by Southwest Airlines; it was evident FAA management personnel with the responsibility and the authority to take appropriate action proved themselves unworthy to being custodians of the public trust. The proof was provided by their blatant disregard and failure to respond to significant safety events that were constantly reported, in both verbal and written form, to the Division Management Team.

Mr. Sabatini made several points in his FAA Town Hall Meeting which I agree with. First, being that we have identified a risk; however, I'm not confident that the risk defined by him is accurate. Secondly, I also agree that what's in the media today is troubling, and I believe as an agency appropriate action does indeed need to be taken. After being a key witness to the lack of concern for public safety through the intentional and blatant disregard of National Policy, I do not have the confidence that all of the responsible individuals will be identified and held accountable.

There have been public statements made that indicates the FAA is conducting damage control to protect the agency's reputation while clouding the issues surrounding the impropriety that occurred in the FAA's SW Region and was known by FAA Senior Management. There is evidential proof that there are more involved than just one man, or a “few individuals”. It is my earnest plea that this committee take the accompanying data along with the factual testimony that is being voiced today to draw conclusions and submit a plan of action that not only restores faith in the FAA, but also dispels any fears or concerns that the American citizens might have toward aviation safety. The implications that this was all the doing of ONE man, is simply a misnomer. This one man, Douglas

Gawadzinski was fueled and energized by others around him that were willing to disregard policy. We operate on a documented and carefully engineered system of rules and orders, and at no time is any one of the individuals involved permitted the self-induced power to make determinations contrary to that guidance.

In the aforementioned FAA Town Hall meeting, Mr. Ballough describes the events surrounding Inspector Boutris' claims. He stated, "there were indicators, there were warning signs that we should have picked up that go back a period of over two years, at least." Southwest Airlines Yes, I agree we've identified a risk and a breakdown. Regarding Boutris, it wasn't at CMO *Inspector* level, regarding Manager Mills; it wasn't at the CMO *Manager* level. These two individuals were raising safety concerns to the Division Management Team for over two years. In addition to meetings by the Manager with Division Management Team personnel, emails, and memos from Boutris and myself, several WEAT Team visits occurred. WEAT Team was a term used for Workplace Evaluation Assessment Team where other FAA management personnel would come and visit to assess the environment in the CMO. These are the office audits I spoke of earlier today. I personally communicated my concerns twice during the past 3 years to WEAT Team members. The audit that occurred in April of 2007 revealed several shortcomings regarding the lack of approval documentation for Southwest Airlines' maintenance program.

The flying public and Southwest Airlines deserves to hear the truthful facts surrounding the lack of oversight at this carrier. They also deserve to board a flight without having to worry if the FAA Inspector responsible for the oversight of that carrier has allowed them to fly in an unsafe aircraft. They deserve to fly on that plane knowing that when known safety concerns are brought to FAA Divisional, and HQ levels, that they are not ignored and pushed aside until threat of subpoena has been made by members of Congress.

In conclusion, let me say that I feel it is my duty to see this matter through in hopes of the committee assessing the information and making a determination of what needs to happen next. The unethical actions that have been identified and permitted, as well as known unsafe conditions have gone on for too long. The fact that Senior FAA management knew about the issues within the SWA CMO, is undisputed.

I have received unsolicited encouragement from field Inspectors all throughout the agency, with many of them revealing examples of the same type of management malfunctions that we are discussing today. Not only for my sake, but for theirs, I feel empowered and compelled as a United States citizen and having the privilege of being a Federal employee, to stand up for the rights of all Aviation Safety Inspectors. I am thankful for the opportunity to come before you and explain the obstacles that we face on a daily basis, placed upon us oftentimes by our own agency that hinders us from our first and foremost duty: safety.

As for South West Airlines as a whole, it is my opinion that your company was led down the wrong path by a handful of individuals, both within your ranks and ours. Unfortunately, these individuals have negatively impacted your company's reputation and put passengers and crew at risk. I'm not sure how long it will take to recover from this but, I am sure that if any company can do it, SWA can. You have a great company and your reputation will shine again.

Thank you Mr. Chairman and Members of the Committee.